



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

July 9, 1991

MEMORANDUM

TO: PAUL KAUTZ, GEOLOGIST - DISTRICT I (HOBBS)

FROM: MICHAEL E. STOGNER *M.S.*

SUBJECT: REDESIGNATION OF BAUM WOLFCAMP POOL AS AUTHORIZED
BY DIVISION ORDER NO. R-9544 TO THE NORTH BAUM
WOLFCAMP POOL, LEA COUNTY, NEW MEXICO.

Per our telephone conversation today, a nunc pro tunc order is being prepared redesignating the subject Wolfcamp oil pool as stated above.

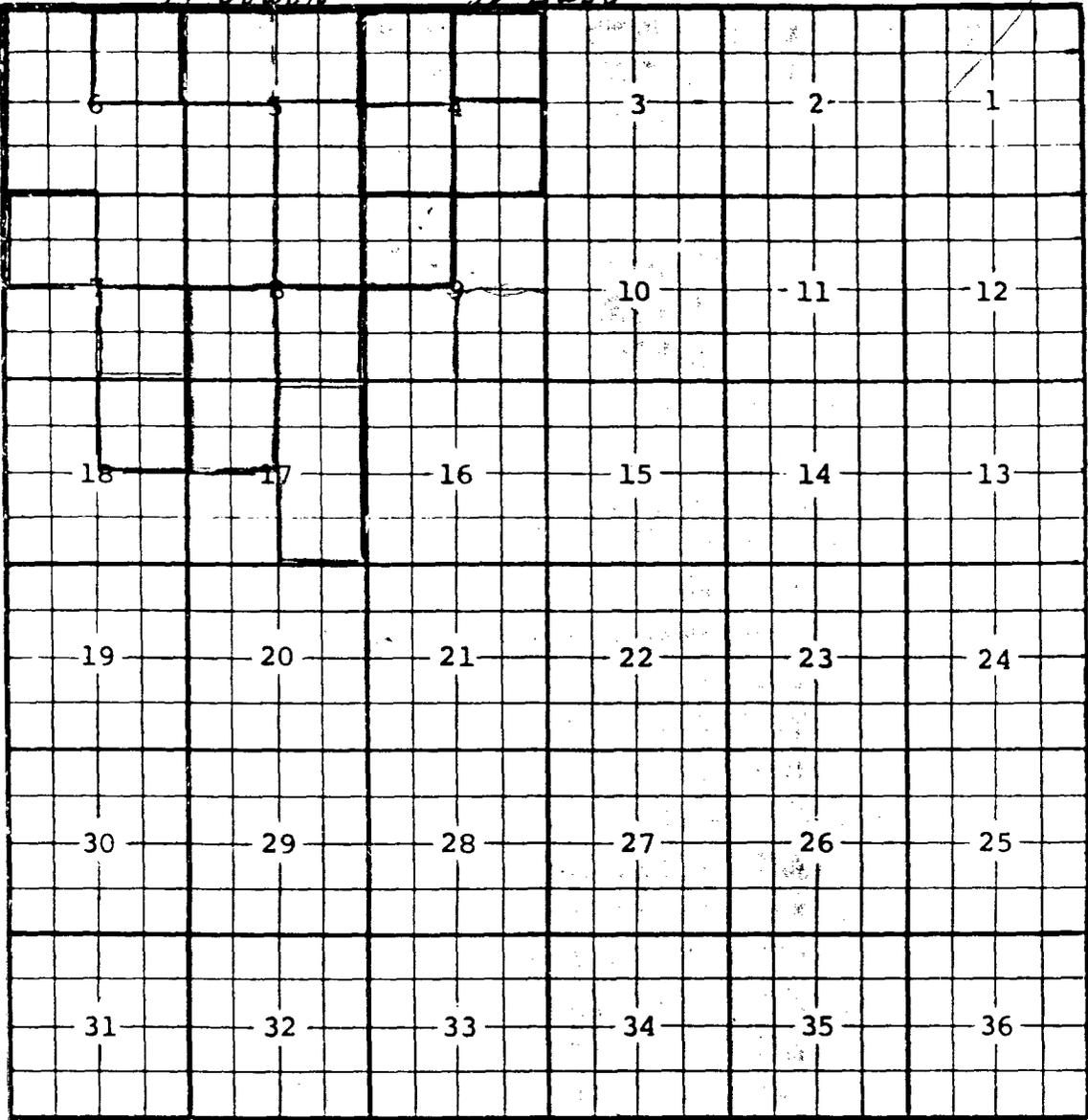
On August 17, 1955 Order No. R-675-A was issued creating a Baum Wolfcamp Pool in portion of Sections 5, 6, 7 and 8, Township 14 South, Range 33 East, NMPM, Lea County, New Mexico. After a couple of extensions and the promulgations of special pool rules (see Orders R-974, R-3367, R-3389, and R-3368) the Baum Wolfcamp Pool was abolished and redesignated the Baum Upper Pennsylvanian Pool by Division Order No. R-3368-A on May 29, 1968. I concur with you at this time in keeping with the Division's policy not to rejuvenate abolished pools and such redesignation is appropriate. Thank you for the suggested name change and for your assistance in this matter.

MES/joc

cc: File: Case No. 10333
Mary Vasquez
Florene Davidson

COUNTY Lee POOL Baum-Wolfcamp Upper Pennsylvanian

TOWNSHIP 14-South RANGE 33-East NMFM



Description: $\frac{SW}{4}$ Sec. 5; $\frac{SE}{4}$ Sec. 6; $\frac{NE}{4}$ Sec. 7; $\frac{NW}{4}$ Sec. 8;
 (R-675-A, 8-17-55) - $\frac{W}{2}$ Sec. 6; (R-914, 11-13-56) 9-12
 Ext: $\frac{NE}{4}$ Sec. 6 (R-3367, 2-1-68) - $\frac{N}{2}$ Sec. 5 (R-3389, 4-1-68)
 Baum-WC redesignated the Baum-Upper Pennsylvanian Pool (R-3368-A, 6-1-68)
 Ext: $\frac{NW}{4}$ Sec. 7 (R-3438, 7-1-68) - $\frac{SE}{4}$ Sec. 5; $\frac{NE}{4}$ Sec. 8 (R-3562, 12-1-68)
 - $\frac{SW}{4}$ Sec. 4 (R-3681, 3-1-69) - $\frac{NW}{4}$ Sec. 4 (R-3780, 7-1-68) - $\frac{NE}{4}$ Sec. 4 (R-3818, 9-1-69)
 - $\frac{SE}{4}$ Sec. 4 (R-3932, 4-1-70) - $\frac{NW}{4}$ Sec. 9 (R-4086, 2-1-71) EXT: $\frac{SW}{4}$ sec 8, $\frac{NW}{4}$ sec 17
 (R-6758, 8-26-81) EXT: $\frac{SE}{4}$ Sec. 7 (R-6967, 5-6-82) EXT: $\frac{NE}{4}$ sec 18 (R-7009,
 6-19-82) EXT: $\frac{E}{2}$ Sec. 17 (R-7322, 8-1-83) EXT: $\frac{SE}{4}$ sec 8 (R-7917, 5-13-85)

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 930
Order No. R-675-A

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR AN ORDER
CALLING FOR THE CREATION OF A
NEW POOL IN LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on July 14, 1955, and on August 17, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 17th. day of August, 1955, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearings, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as prescribed by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the pool creation as advertised, and as supported by proper testimony and recommendations presented in the subject hearings, should be approved in accordance with the Commission's motion.

IT IS THEREFORE ORDERED:

That the application of the Oil Conservation Commission upon its own motion be, and the same hereby is approved as follows:

(a) That a new pool be created in Lea County, New Mexico, designated as the Baum-Wolfcamp Pool, classified as an oil pool for production from the Wolfcamp formation and described as follows:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM

Section 5: SW/4

Section 6: SE/4

Section 7: NE/4

Section 8: NW/4

Order No. R-675-A

(Discovery well: The Champlin Refining Company's Featherstone Federal Well No. 1, SE/4 SE/4 Section 6, Township 14 South, Range 33 East, completed May 2, 1955, with top of perforations at 9939 feet.)

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

S E A L

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3701
Order No. R-3368

APPLICATION OF COASTAL STATES GAS
PRODUCING COMPANY FOR SPECIAL POOL
RULES, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 20, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of January, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Coastal States Gas Producing Company, seeks the promulgation of special rules and regulations for the Baum-Wolfcamp Pool in Township 14 South, Range 33 East, NMPM, Lea County, New Mexico, including a provision for 160-acre spacing units.
- (3) That the evidence, including some evidence of pressure decline in the area, fails to establish that one well in the Baum-Wolfcamp Pool can efficiently and economically drain and develop 160 acres, or that 160-acre spacing units, even on a temporary basis, would be in the interest of conservation.
- (4) That the evidence presently available indicates the reservoir characteristics of the subject pool are similar to

-2-

CASE No. 3701
Order No. R-3363

those of other Permo-Pennsylvanian pools in which wells can efficiently and economically drain and develop 80 acres.

(5) That the applicant's request for 160-acre spacing units should be denied.

(6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, temporary special rules and regulations providing for 80-acre spacing units should be promulgated for the Baum-Wolfcamp Pool.

(7) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(8) That the temporary special rules and regulations should be established for a one-year period in order to allow the operators in the subject pool to gather reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(9) That this case should be reopened at an examiner hearing in January, 1969, at which time the operators in the subject pool should be prepared to appear and show cause why the Baum-Wolfcamp Pool should not be developed on 40-acre spacing units.

IT IS THEREFORE ORDERED:

(1) That the request of the applicant, Coastal States Gas Producing Company, for 160-acre spacing units in the Baum-Wolfcamp Pool is hereby denied.

(2) That temporary Special Rules and Regulations for the Baum-Wolfcamp Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
BAUM-WOLF CAMP POOL

RULE 1. Each well completed or recompleted in the Baum-Wolfcamp Pool or in the Wolfcamp formation within one mile thereof,

and not nearer to or within the limits of another designated Wolf-camp oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a governmental quarter section; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit comprising a governmental quarter-quarter section or lot or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (79 through 81 acres) shall be assigned an 80-acre proportional factor of 4.77 for allowable purposes, and in the event there is more than one well

-4-

CASE No. 3701
Order No. R-3368

on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Baum-Wolfcamp Pool or in the Wolfcamp formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before February 1, 1968.

(2) That each well presently drilling to or completed in the Baum-Wolfcamp Pool or in the Wolfcamp formation within one mile thereof shall receive a 40-acre allowable until a Form C-102 dedicating 80 acres to the well has been filed with the Commission.

(3) That this case shall be reopened at an examiner hearing in January, 1969, at which time the operators in the subject pool may appear and show cause why the Baum-Wolfcamp Pool should not be developed on 40-acre spacing units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

S E A L

A. L. PORTER, Jr., Member & Secretary

esr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3701
Order No. R-3368-A
NOMENCLATURE

APPLICATION OF COASTAL STATES GAS
PRODUCING COMPANY FOR AN AMENDMENT
TO ORDER NO. R-3368, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8 a.m. on May 22, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 29th day of May, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-3368, dated January 22, 1968, temporary Special Rules and Regulations were promulgated for the Baum-Wolfcamp Pool, Lea County, New Mexico, providing for 80-acre spacing units, limited well locations, and an 80-acre proportional factor of 4.77 for allowable purposes, and providing that said temporary rules be reconsidered at an examiner hearing in January, 1969.

(3) That the applicant, Coastal States Gas Producing Company, seeks amendment of the temporary Special Rules and Regulations promulgated by Order No. R-3368 to provide for 160-acre spacing units with the assignment of 80-acre allowables.

(4) That the applicant also seeks to have said rules and regulations, as proposed, made permanent.

(5) That a number of wells have been completed in the subject pool subsequent to the issuance of Order No. R-3368.

(6) That the additional evidence concerning the characteristics of the subject reservoir gained as a result of said completions establishes that one well in the pool can efficiently and economically drain and develop 160 acres.

(7) That the additional evidence presented indicates that the establishment of 160-acre spacing units and an 80-acre proportional factor of 4.77 for allowable purposes is warranted.

(8) That the Special Rules and Regulations promulgated by Order No. R-3368, as amended by this order, will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.

(9) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-3368, as amended by this order, should be continued in full force and effect until further order of the Commission.

(10) That the aforementioned additional evidence also establishes that the subject pool is producing from the Upper Pennsylvanian formation rather than the Wolfcamp formation.

(11) That the subject pool should be redesignated the Baum-Upper Pennsylvanian Pool.

IT IS THEREFORE ORDERED:

(1) That, effective June 1, 1968, Order (a) of Order No. R-675-A, Order (a) of Order No. R-914, Order (e) of Order No. R-3367, and Order (a) of Order No. R-3389 are hereby amended by deleting therefrom the word "Wolfcamp" wherever it appears and substituting in lieu thereof the words "Upper Pennsylvanian."

-3-
CASE No. 3701
Order No. R-3368-A

(2) That the Special Rules and Regulations governing the Baum-Wolfcamp Pool, Lea County, New Mexico, promulgated by Order No. R-3368, are hereby amended to read in their entirety as follows, effective June 1, 1968:

SPECIAL RULES AND REGULATIONS
FOR THE
BAUM-UPPER PENNSYLVANIAN POOL

RULE 1. Each well completed or recompleted in the Baum-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile thereof, and not nearer to or within the limits of another designated Upper Pennsylvanian oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 160 acres, more or less, substantially in the form of a square, which is a quarter section being a legal subdivision of the United States Public Land Surveys.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit consisting of less than 160 acres or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state

that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (158 through 162 acres) shall be assigned an 80-acre proportional factor of 4.77 for allowable purposes, and in the event there is more than one well on a 160-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 160 acres.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Baum-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before June 1, 1968.

(2) That each well presently drilling to or completed in the Baum-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile thereof shall, after June 1, 1968, receive an allowable in the same proportion to a standard 160-acre allowable for the pool as the acreage presently dedicated to the well bears to 160 acres, until Form C-102 dedicating 160 acres to the well has been filed with the Commission, or until a non-standard unit containing less than 160 acres has been approved.

(3) That Order No. R-3368 entered by the Commission on January 22, 1968, is hereby superseded.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-5-

CASE No. 3701

Order No. R-3368-A

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/